

GSE CUSTOMER COUNCIL MEETING

December 14, 2004

Members Present:

John Bradford, Chairperson, Member of Public, John Baldwin, Corrections; Jennifer St. John, DNR; Charlie Smithson, Ethics; Greg Anliker, Elder Affairs; Major Darrel Cox, DPS; Ruth White, Human Rights; Peggy Sullivan, Judicial; Mary Jane Olney, AG; Roger Johnson, Cultural Affairs.

Members Absent:

Marcia Spangler, DPH; Bob Straker, AFSCME.

Others Present:

Mollie Anderson, DAS Director; Patrick Deluhery, GSE; Debbie O'Leary, GSE; Dale Schroeder, GSE/Fleet & Mail; Tim Ryburn, GSE/CCM; Dean Ibsen, GSE/D&C; Tera Harrington, GSE; Nancy Williams, GSE; Patti Allen, DAS-Marketing; Denise Sturm, DAS Finance; Julie Sterk, DAS/Accounting; Miki Clark, DHS; Barbara Bendon, GSE/D&C; Paula Newbrough, GSE/Mail; Linda Plazak, DAS; Tim Brand, DAS/Accounting; Dean Ibsen, GSE/Design & Construction.

Call to Order:

Meeting called to order at 1:30 p.m.

Approve Minutes of November 16, 2004:

Major Darrel Cox moved to approve the minutes of November 16, 2004. Roger Johnson seconded the motion. Motion passed.

Opening Remarks:

Pat Deluhery discussed GSE's transformation efforts. GSE goals are:

- To improve customer satisfaction – terms of one year and two or three years.
- To improve GSE revenues and reduce rates to current customers, we are looking at this over a two or three year period
- To improve employee satisfaction or employee engagement in what we are doing with this entrepreneurial approach.

Role of Customer Council

Director Mollie Anderson discussed the role of the Customer Council, now that we have had about a year and a half of experience.

- Thank you to everyone. It is not easy to sit on this Council and do the things that you do to understand our products and services on top of the things that you do at your workplace.
- We have to remember this is an experiment and one of the things we have found in our research of other places is there isn't a Customer Council any place else. This is the first time for this kind of concept. It has been a very valuable tool for us and has really improved the communication with our customers.
- Our Governor looked at entrepreneurial management as an idea that was an alternative to a couple of others being looked at across the country. One of those was privatization. Some governors were deciding that the best thing to do was to get out of administrative infrastructure and hire private entities to do those things within state government.

Another one is to de-centralize. The State of Georgia is an example where they greatly reduced the administrative agencies.

- Our Governor thought another alternative would be for us to manage this expense and manage it in a way that is similar to what the private sector does. We should try to figure out what we can do that would make the most sense to the State of Iowa and to the customers.
- Concepts of Entrepreneurial Management:
 - **We have to become more customer focused** and look at this from a new perspective.
 - **Accountable to the citizens.** We are a business within state government and we have to be transparent, we must have credibility in our rates and our prices so you can trust what we are charging you is a reasonable charge and you have a fair share that you pay.
 - **Competition is required.** We have to approach everything from the fact that we don't have any guarantees, we have only our relationship with you and your willingness to buy from us if we have best price, best quality and value, that you will want to continue to do business with us.
 - **Products and services are sorted into three different categories.** *Leadership, Utilities and Marketplace*
 - **Finance is paramount** – the finance mechanism of billing correctly, having people understand bills, being able to track it by product and services is extremely important.
 - **Nothing is free.** Everybody has to pay their fair share. If we provide something for free, somebody else pays that charge.
- Role of Customer Council as it relates to Utilities.
 - You have to decide on the packaging of Utilities. More and more people want “stand alone”, “smorgasbord”, “a la carte” and they will want prices that are separate. Director Anderson encouraged the Customer Council to really think about whether the cost associated with all the detail of all of the “a la carte” planning and pricing is worth it.
 - You have to know something about what your customers use. There may be some customers with no consumption at all of a product and are getting a fee that would be something we would need to correct.
 - Review and approve the budget for Utilities.
 - Determine the divisor, what is the fair divisor to use across the board for determining how we set rates. You have to determine and validate the rates and the charges and review customer satisfaction and service complaints.
- What is the role of the individual customer council? The Governor's view of the individual members on this Council is that you are a part of a cooperative; your job is to represent the enterprise as a whole and think about the majority of the customers who use the services. That means, even if it might not be good for your agency, if it seems fair for the entire enterprise, you will look at it from an enterprise viewpoint. In the end, you have to remember what is good for the majority.
- Who provides the oversight for the other two categories we have?
 - Leadership: The oversight is the Legislative body, Oversight Committee, the Governor and DOM.
 - Marketplace: We have a business plan. The only reason we exist is to provide services to state government. The oversight is really the customer. GSE does have to do some “forward-thinking” to ensure we can cover the bad times as well as the good times.

Customer Satisfaction Survey

Patti Allen distributed the basic Customer Satisfactory Survey analysis and answered questions.

- Second annual DAS Customer Satisfaction Survey.
- Tried to parallel the two surveys to see if there was a change.
- Utilized a census approach.
- Sent out 39 documents and received 39 responses.
- We were looking for customer comments, something actionable we could send back through to every work unit in the department.
- Focus of survey – input from the customers.
- 3% rating would be average – the DAS overall performance score was 3.75%.

Each work unit has been asked to develop a Business Process Redesign Project. We are trying to take specific information from the survey, address a problem and build a team of people who will work together to get a change implemented. Toward that goal, we have a training initiative on the drawing board as well as an employee recognition program.

Office Supply & Travel Contract – Update

Travel

- Agencies can now decide how you want your employees to purchase travel.
- Shorts Travel contract expires December 31, 2004. GSE went out for bid on a non-mandatory contract, contract awarded to two vendors – Shorts Travel and Travel & Transport. If your agency desires to work with a travel agency, this is an option to you.

Office Supply

- Hand-out from Office Max distributed to the Council members.
- During October, November & December, 2004, vendor offering a 5% “start-up” rebate on purchases. The total October and November, 2004 rebate is \$15,255.00.
- Debbie O’Leary is working with DAS Finance to determine the best way to distribute these funds back to the agencies.

Space Allocation/Measurement of Spaces

Beginning January, 2005, Dean Ibsen, Tim Ryburn and Barbara Bendon will begin meeting with each agency.

- Will go through the services GSE provides: Space Management, Leasing and Capitol Complex Maintenance.
- We will talk about square footage calculations and verify square footages with agencies.
 - We are using calculations comparable to Building Owners and Managers Associations (BOMA), the kind of calculations landlords and building owners use.
 - GSE is working from electronic drawings using software called AutoCAD. GSE has drawings of all buildings.
 - Measure space from center line of wall. Same calculation for all common space areas, corridors, restrooms, mechanical rooms, storage, rooms, etc. – what a landlord would call “common area maintenance area”.
 - Budget divided by the total square footage equals the association fee per square foot.
 - Possible error in calculation of agency space – resolution dependent upon the number of square footage in question.
- Talk about procedures for increasing/decreasing or vacating space and the procedure to be followed (six month notification rules).

- Review the Service Level Agreements and ask agencies to sign off on them, verifying the space they have.

Space calculations submitted to the federal government discussed. Barbara Bendon advised the footages previously submitted to R & F do not represent common areas. In addition, it didn't represent specific conference rooms – there is a difference between what was reported to SWICAP and what is reported today.

Mail charges – Update

Greg Anliker advised the committee has met, but has not reached a conclusion. At the current time, if any department cuts back their metered mail significantly, they are not necessarily going to see a proportionate reduction in their costs because of other various costs

Paula Newbrough and Dale Schroeder have looked into what some other states are doing; however, there doesn't seem to be any real easy system to grab onto and say this will help.

Committee will continue to work on this and report back in January, 2005.

Financial Reports (Updates)

Denise Sturm distributed a handout entitled DAS Utility Financial Statement and answered questions. Handouts covered the financial statements for the four months ending October 31, 2004.

The second handout is a 9-page handout of financial statements.

John Bradford asked that in future months, financials should be e-mailed to Council members a couple days before the meeting to allow time for review.

Denise Sturm stated this was something they would work toward.

Business Plans – updates

Pat Deluhery advised GSE has already looked at our first set of Business Plans.

John Bradford advised in his business they do more of an annual accomplishment and strategic plan rather than a full business plan. John advised it is more of a listing out of the tangible things we want to do for the next year, and how we will measure it to see if we were successful.

GSE Transformation Efforts

Covered in opening comments.

DAS Dispute Resolution and Service Complaint Process (Action Requested)

Linda Plazak distributed the DAS Dispute Resolution and the Service Complaint Process documents.

After discussion, Mary Jane Olney moved to approve the DAS Service Complaint Process.

Peggy Sullivan seconded the motion. Motion passed.

Customer Council Utility Complaint Resolution Process form – after considerable discussion, Charlie Smithson was asked to negotiate this document with the other Customer Council Chairs and bring back to the January, 2005 Council meeting for discussion/approval.

Open Discussion:

Chairperson John Bradford announced he would have to resign from the GSE Customer Council since he was changing jobs and is moving to Minneapolis. John stated he had really enjoyed working with everybody and wished the GSE Customer Council the best of luck!

Charlie Smithson made the motion that the GSE Customer Council publicly commend Chairperson John Bradford for his leadership and steady hand during a very difficult time of growing pains and the first rate making year. Additionally, the Council to ask DAS Director Mollie Anderson to write a commendation letter expressing DAS' thanks for John's volunteer work for the State of Iowa. Motion seconded – Motion carried.

John Bradford stated the co-chair takes over until the Council elects a new chair.

Adjournment:

Meeting adjourned.

Next Meetings:

February 11, 2005 (Friday)	8am – 10am	Hoover/A-Level EMD Conference Room
March 11, 2005 (Friday)	8am – 10am	Hoover/A-Level EMD Conference Room
April 15, 2005 (Friday)	8am – 10am	Hoover/A-Level EMD Conference Room

Respectfully submitted,

Nancy Williams, GSE